

**ENTERED**

June 14, 2023

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

In re:

SORRENTO THERAPEUTICS, INC., *et al.*<sup>1</sup>

Debtors.

Chapter 11

Case No. 23-90085 (DRJ)

(Jointly Administered)

OFFICIAL COMMITTEE OF  
EQUITY SECURITIES HOLDERS,

Plaintiff.

Adversary Proceeding No. 23-03106

v.

BANK OF AMERICA SECURITIES, INC.,  
MERRILL, LYNCH, PIERCE, FENNER &  
SMITH INCORPORATED, J.P. MORGAN  
SECURITIES LLC, MORGAN STANLEY  
& CO., LLC, PERSHING LLC, NATIONAL  
FINANCIAL SERVICES LLC, STATE  
STREET BANK AND TRUST COMPANY,  
AND UBS SECURITIES LLC,

Defendants.

(Docket No. 3)

**TEMPORARY RESTRAINING ORDER**

Upon the application (the “Application”)<sup>2</sup> of the Official Committee of Equity Securities Holders (the “Equity Committee”) of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for a temporary restraining order (this “Order”) filed on June 12,

<sup>1</sup> The Debtor entities in these chapter 11 cases, along with the last four digits of each Debtor entity’s federal tax identification number, are: Sorrento Therapeutics, Inc. (4842) and Scintilla Pharmaceuticals, Inc. (7956). The Debtors’ service address is: 4955 Directors Place, San Diego, CA 92121.

<sup>2</sup> Capitalized terms used but not otherwise defined shall have the meanings ascribed to them in the Application.

2023; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that, after carefully considering the briefing, the applicable law, and all matters properly before the Court, the Equity Committee has clearly showed that immediate and irreparable injury, loss, or damage will result to the Debtors if Defendants' acts are not immediately restrained; and this Court having determined that the legal and factual bases set forth in support of the Application establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor,

It is ORDERED THAT:

1. Pursuant to Sections 105(a), 362, and 362(k) of the Bankruptcy Code:
  - a. Defendants shall close out all uncovered, naked short positions on all ~~Dividend~~ Dividend Scilex Stock.
  - b. Defendants shall move all naked short positions on ~~Dividend~~ Dividend Scilex Common Stock.
  - c. Defendants shall rescind any pending naked short sales of ~~Dividend~~ Dividend Scilex Stock and ~~Dividend~~ Dividend Scilex Common Stock, suspended
  - d. All short-sales of Dividend Scilex Stock are hereby ~~rescinded~~ suspended until further notice.
  - e. Defendants shall pay a penalty of \$1,000 a day per share of ~~Dividend~~ Dividend Scilex Stock and unrestricted Scilex Common Stock, which Defendants

f. Defendants shall provide an accounting of ~~and disgorging~~ all profits received from the naked-short selling of Dividend Scilex Stock and Scilex Common Stock, including all interest charged to short-sellers, ~~XX~~ ~~XXXXXXXXXXXXXgXXXXXXXXXXXXX~~ within five (5) business days of the entry of this Order ~~XXXXXbeXXXXXandXXXXX~~ ~~XXXXX~~ ~~XXXXX~~

2. The Court will conduct a hearing to consider the request for a preliminary injunction on June 27, 2023 at 9:30 a.m. (prevailing Central Time) in Courtroom 400, 515 Rusk Street, Houston, Texas. Video appearances will not be permitted. The Equity Committee shall serve a copy of this Order on all defendants within 48 hours and file a certificate of service indicating the time and manner of service on each defendant.

**Signed: June 13, 2023.**

  
**DAVID R. JONES**  
**UNITED STATES BANKRUPTCY JUDGE**